

## Message Text

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11

ORIGIN SS-15

INFO OCT-01 ISO-00 SSO-00 /016 R

66011

DRAFTED BY: S/S-O:HECOLE

APPROVED BY: S/S-O:AOTTO

----- 066245

R 050255Z MAY 76

FM SECSTATE WASHDC

TO USMISSION EC BRUSSELS

C O N F I D E N T I A L STATE 108841

EXDIS FOR AMBASSADOR YEUTTER

FOLLOWING REPEAT TOKYO 6416 ACTION SECSTATE 30 APR

QUOTE

C O N F I D E N T I A L TOKYO 06416

EXDIS

FROM WOLFF FOR AMBASSADOR DENT

DEPT PASS STR ELECTRONICALLY JND, IF APPROPRIATE USEC BRUSSELS  
FOR AMBASSADOR YEUTTER

E.O. 11652: GDS

TAGS: ETRD, JA

SUBJ: JAPANESE SPECIALTY STEEL NEGOTIATIONS

1. JAPANESE AGREED TODAY, APRIL 30, TO NEGOTIATE OMA, RESERVING  
ON DETAILS. FORM WOULD BE U.S. IMPORT QUOTAS AGREED TO BY GOJ.  
NO EXPORT RESTRAINT ENVISAGED.

2. GOJ RESERVES RIGHT TO CLAIM COMPENSATION, OR RETALIATE.  
U.S. REQUESTED COMPENSATION ISSUE BE DEFERRED PENDING  
SHAPING OF OMA. ALSO GOJ WISHES EXPLICIT AGREEMENT THAT OMA  
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IS WITHOUT PREDJUDICE TO MTN SAFEGUARDS OR OR NEGOTIATIONS.

3. DETAILS OF GOJ COUNTERPROPOSAL: GOJ SEEKS OMA FOR ONE AND ON-HALF YEARS: BASE OF 1971-75 AVERAGE WITH 45PERCENT SHARE OF DIFFERENCE BETWEEN 140.7 AND 146 THOUSAND TON ITC LEVEL: GROWTH OF 6PERCENT AFTER FIRST 6 MONTHS RESTRAINT, SPACING OF 70 PERCENT: 10PERCENT CATEGORY SHIFT: 30 DAY CARRYOVER WITHOUT QUANTITY LIMIT, AND CARRY-IN (ANTICIPATION) OF 5PERCENT. GOJ ALSO SEEKS EXCLUSION OF ALLOY TOOL PLATE, SHEET & STRIP, AND RAZOR BLADE STRIP. GOJ SEEKS TWO CATEGORIES RATHER THAN FIVE, AND CONSULATION CLAUSE ON TERMINATION TIED TO US INDUSTRY'S RECOVERY.

4. MAJOR AREAS OF DISPUTE ARE: TERM, NUMBER OF CATEGORIES, GROWTH, TERMINATION TIED TO U.S. INDUSTRY RECOVERY, AND COMPENATION. ONLY ISSUE OF LEVELS IS CLOSE TO POSSIBLE U.S. AGREEMENT.

5. HOPE TO SHAPE UP ELEMENTS OF AGREEMENT BY MAY 4, BUT INITIAL IMPRESSION IS THAT THIRD ROUND LIKELY, PERHAPS IN WASHINGTON.

6. WOLFF SAW HTSHINO THIS MORNING. HOSHINO FELT OMA PROSPECTS GOOD, BUT THOUGHT WE WOULD HAVE AN UPHILL BATTLE ON SECTOR TALKS. HE SAID WE'D HAVE TO STRESS LIBERALIZATION (HE'D LIKE TO SEE EASING OF U.S. SHIPBUILDING RESTRICTIONS). ALSO HE SAID WE SHOULD STRESS THAT STEEL WOULD NOT NECESSARILY MOVE AHEAD OF OTHER MTN GENERAL SOLUTIONS.

HODGSON

NOTE BY OC/T: DOWN-GRADED FROM NODIS TO EXDIS PER STATA 106464

DATED 02 MAY 1976

UNQUOTE SISCO

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## Message Attributes

**Automatic Decaptioning:** Z  
**Capture Date:** 01 JAN 1994  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** STEELS, IMPORT QUOTAS, TRADE CONTROLS, NEGOTIATIONS  
**Control Number:** n/a  
**Copy:** SINGLE  
**Draft Date:** 05 MAY 1976  
**Decaption Date:** 28 MAY 2004  
**Decaption Note:** 25 YEAR REVIEW  
**Disposition Action:** RELEASED  
**Disposition Approved on Date:**  
**Disposition Authority:** ShawDG  
**Disposition Case Number:** n/a  
**Disposition Comment:** 25 YEAR REVIEW  
**Disposition Date:** 28 MAY 2004  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
**Disposition Remarks:**  
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**Document Unique ID:** 00  
**Drafter:** O:HECOLE  
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**Executive Order:** GS  
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**Original Previous Classification:** n/a  
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**Secure:** OPEN  
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